



Delivering. The Road Ahead.

November 2021

Forward-Looking Statement

This presentation contains several forward-looking statements that are not historical facts, including our revenue and earnings guidance, all other information provided with respect to our outlook for 2021 and future periods, and other statements concerning our business, strategic position, financial projections, financial strength, future plans, objectives, and the performance of our products and operations that are not historical facts. These statements can be identified by words such as "believe," "expect," "intend," "potential," "future," "may," "will," "should," and similar expressions regarding future expectations. Furthermore, statements contained in this presentation relating to the COVID19 pandemic, the impact of which remains inherently uncertain on our financial results, are forward-looking statements. These forward-looking statements involve various known and unknown risks, uncertainties, and assumptions that are difficult to predict with regard to timing, extent, and likelihood. Therefore, actual performance and results may materially differ from what may be expressed or forecasted in such forward-looking statements. Factors that could contribute to these differences include future developments relating to the COVID-19 pandemic, including governmental responses, supply chain shortages, and potential labor issues; operational and other complications that may arise affecting the implementation of our plans and business objectives; continued pressures caused by economic conditions including weaknesses resulting from the COVID-19 pandemic; challenges that may arise in connection with the integration of new businesses or assets we acquire or the disposition of assets; restructuring of our operations, and/or our expansion into new geographic markets; issues unique to government contracting, such as competitive bidding processes, qualification requirements, and delays or changes in funding; disruptions within our dealer network; changes in our relationships with major customers, suppliers, or other business partners; changes in the demand or supply of products within our markets or raw materials needed to manufacture those products; and changes in laws and regulations affecting our business. Other factors that could affect outcomes are set forth in our Annual Report on Form 10-K and other filings we make with the Securities and Exchange Commission (SEC), which are available at www.sec.gov or our website. All forward-looking statements in this release are qualified by this paragraph. Investors should not place undue reliance on forward-looking statements as a prediction of actual results. We undertake no obligation to publicly update or revise any forward-looking statements in this release, whether as a result of new information, future events, or otherwise.

The financial results included within this presentation are from continuing operations unless otherwise noted.

The Shyft Group

We design, engineer, manufacture and service purpose-built specialty vehicles and chassis

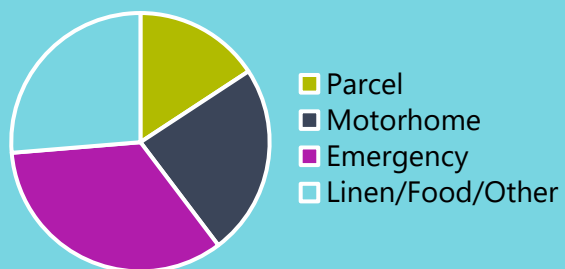
2015*



\$105M Market Cap

\$3.11 Share Price

\$550M Sales



2.0% Adj. EBITDA

**Includes operations discontinued in 2020*

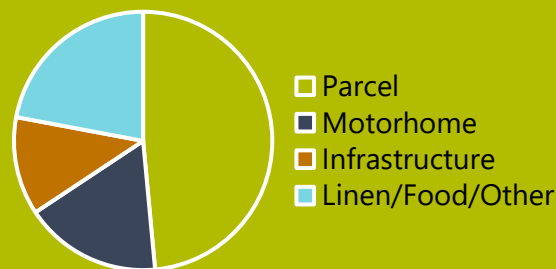
2021



\$1.8B Market Cap

*\$50.14 Share Price**

\$950M Sales**



11.5% Adj. EBITDA**

**As of 11.8.21 **Based on Midpoint Guidance*

A Transformative Growth Story

Shifted focus to higher growth segments
of Last Mile Delivery and Infrastructure

Deployed over \$100M toward M&A
on 4 strategic transactions

Focused on lean initiatives across factories

Built out footprint
Coast-to-coast flexible
manufacturing

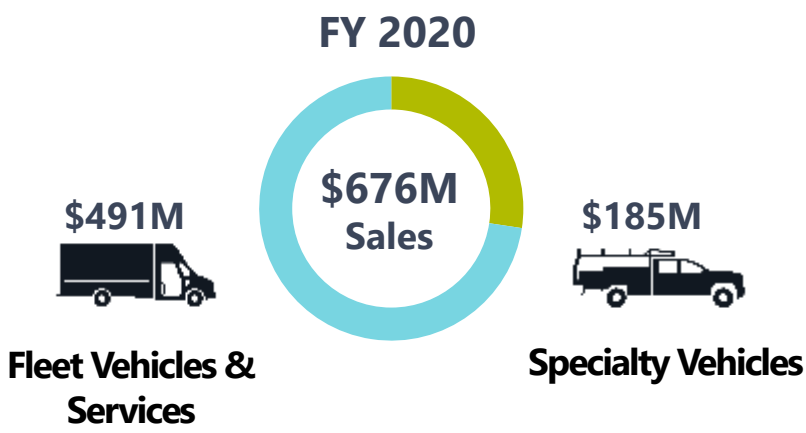
**Strengthened
management team**
to support
accelerated growth

6X TSR

vs. peers
since 2015

Foundation for Future Growth

16 MFG Operations



Industry Leading Brands



2018

- East coast expansion
- Acquired Strobes-R-US

2019

- West & Southwest expansion
- Acquired General Truck Body
- Acquired Royal Truck Body

2020

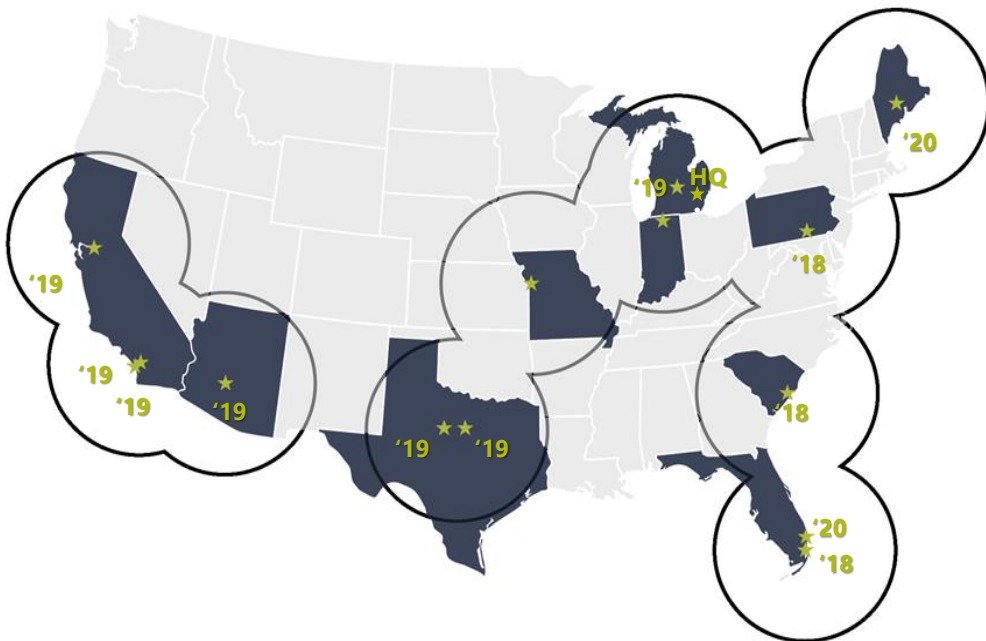
- Acquired DuraMag
- Expanded product portfolio

2021

- Launched key products
- Velocity vehicle
- EV modular chassis

North American Leader

in specialty vehicle manufacturing and assembly for the commercial vehicle market



Spanning 85% of US population

**Within 300-mile radius of manufacturing locations*

Leadership Operations

QUICK STATS & DRIVERS

- 120 years of combined executive leadership
- "One-team" mentality
- Culture of accountability and ownership
- Mantra of "no surprises"
- Solution and proactive based mindset

SHARED SKILL SETS

- Big-company DNA with growth experience
- Blended automotive and non-automotive experience
- Lean manufacturing expertise
- Successful M&A activity
- Progressive experience



Daryl Adams
President & CEO



Todd Heavin
COO



Jon Douyard
CFO



Chad Heminover
President, Fleet Vehicles &
Services



Steve Guillaume
President, Specialty
Vehicles

Four Strategic Objectives to Drive Shareholder Value

Customer focused innovation to drive growth



Organic Growth

- Product innovation
- Geographic expansion



Operational Excellence

- Lean initiatives
- Automation



Strategic Acquisitions

- Bolt-on / new product
- Leverage cost structure



Product Innovations

- New technologies

Together with focused ESG effort



- Safeguard employees
- Set sustainability goals toward continuous improvements
- Achieve energy efficiency



- Diversity and inclusion
- Community and stakeholder engagement
- Respect for human rights

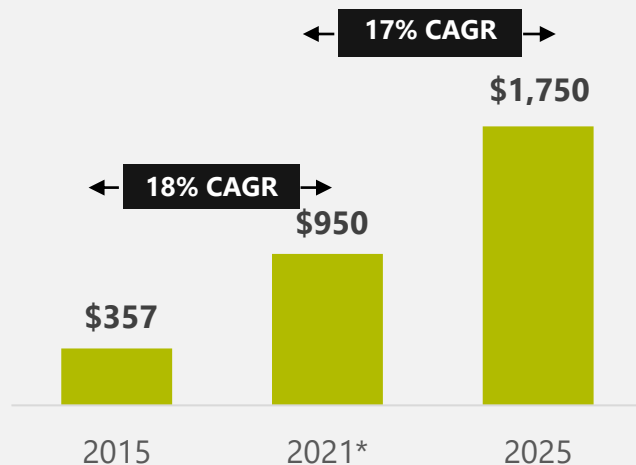


- Leading governance standards
- Management accountability
- Overall transparency

The Road Ahead

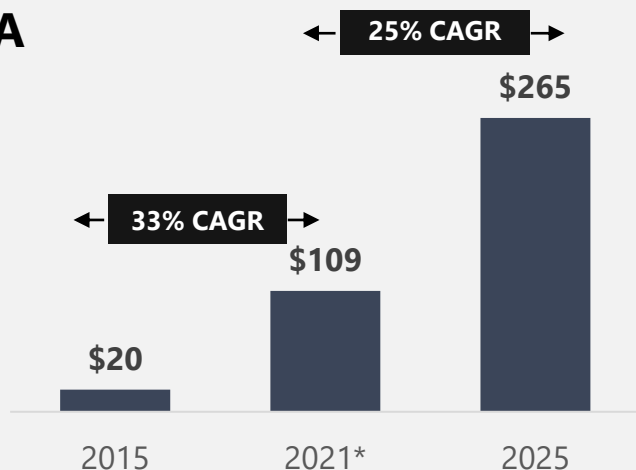
Revenue

(in millions)



Adjusted EBITDA

(in millions)



*Based on Midpoint Guidance

2025 Financial Objectives

Revenue **\$1.75B**

Adj. EBITDA Margin **15%**

Organic Growth

- Product innovation
- Geographic expansion

Operation Excellence

- Lean initiatives
- Automation

Strategic Acquisitions

- Product innovation
- Geographic expansion

Product Innovations

- New technologies



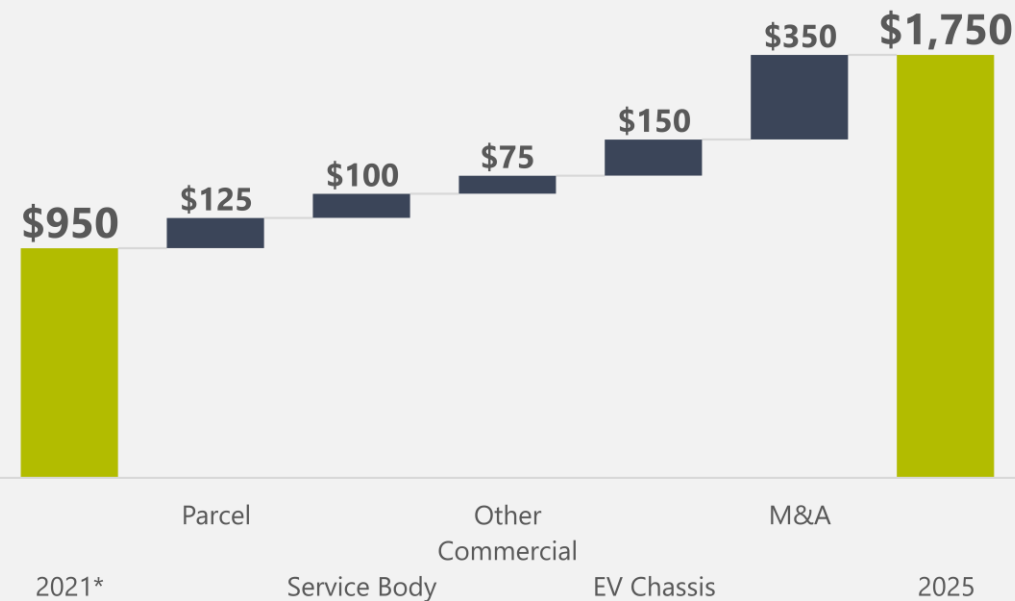
2025 Roadmap

Revenues accelerating 84%

Profits expanding 143%

2025 Revenue Roadmap

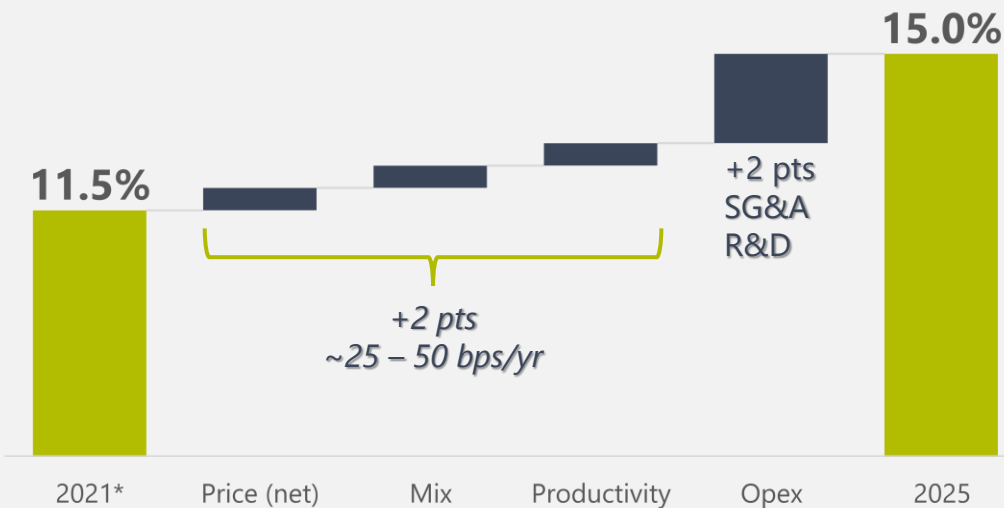
(in millions)



*Based on Midpoint Guidance

2025 Adjusted EBITDA Roadmap

(% of sales)





Fleet Vehicle & Services

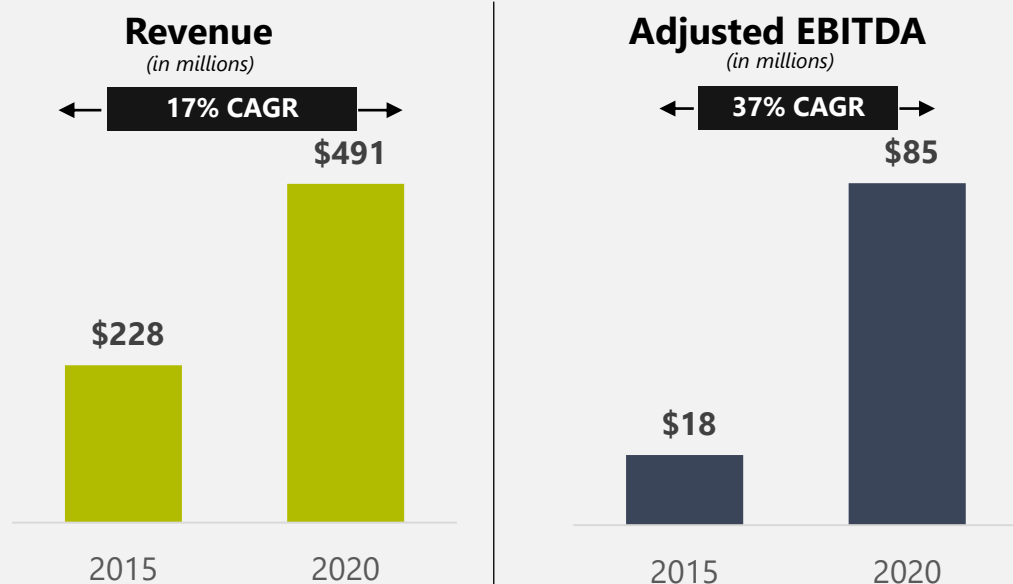


Fleet Vehicles and Services

North American leader in purpose-built delivery vehicle solutions

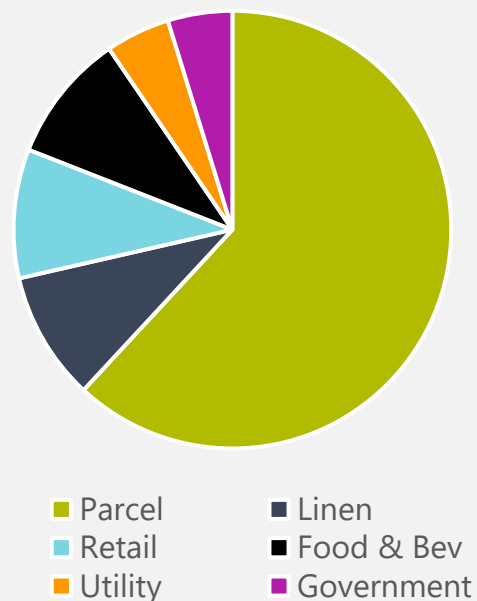
\$491M in 2020 Sales

75% of Shyft Group



Total Addressable Market \$3.2B













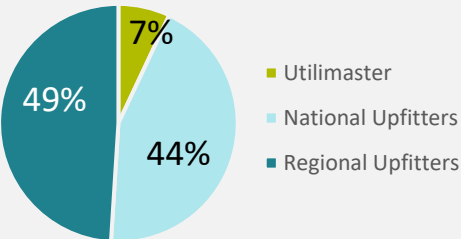
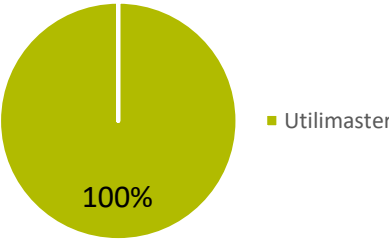
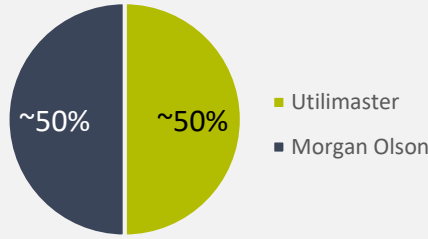
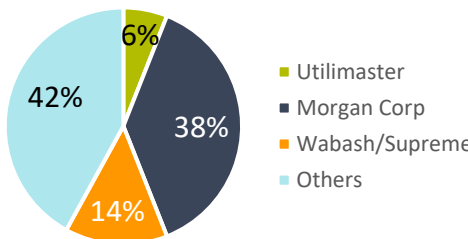
Revenue By End Market



Growth Drivers

- Parcel delivery
- Replacement cycle
- Breadth of innovative products
- One-stop shop
- EV adoption

Industry Leading Breadth of Product

	Cargo Van Upfit	"Velocity"	Traditional Walk in Van	Truck Body
				
	Class 1 & 2   GVWR 6,000 - 10,000 lbs.	Class 2 & 3   GVWR 9,350 - 12,125 lbs.	Class 4 & 5   GVWR 16,000 - 19,500 lbs.	Class 6 & 7   GVWR 26,000 - 33,000 lbs.
Vehicle Life	3 – 7 years	5 – 7 years	15 – 20 years	7 – 10 years
Est. Annual Units*	500,000	15,000	35,000	80,000
Share				
TAM	\$1.2B TAM		\$2.0B TAM	

 Available in EV, CNG, and propane propulsion technologies  Available in refrigeration

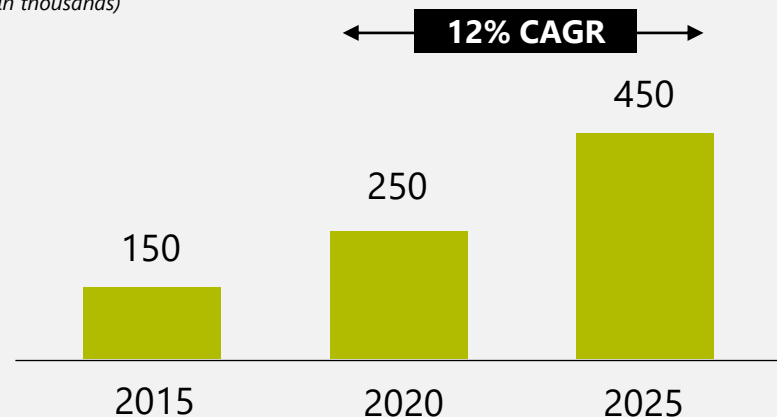
*Source: 2020 SpecialtyTransportation.net Reports and management estimates

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Parcel Delivery Growth Clear through 2025

Major Carrier Fleet Size*

(Units in thousands)



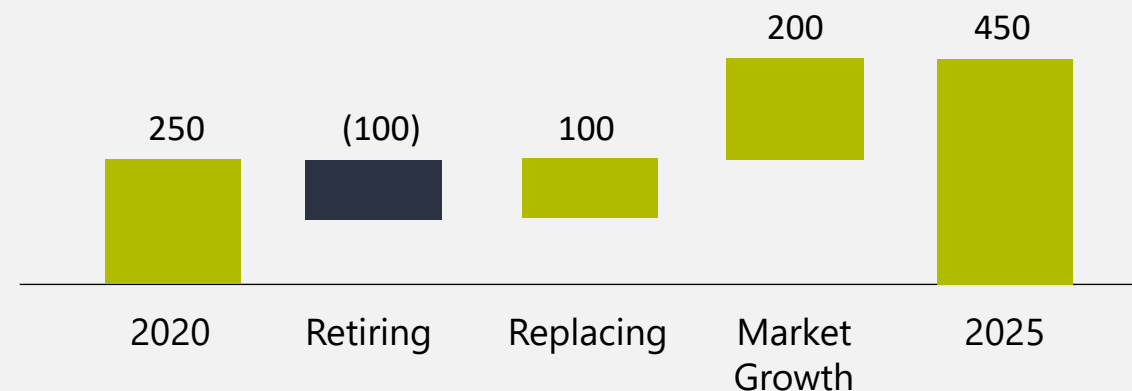
Parcel Outlook

- U.S. package volume to increase to ~31B packages by 2025 – a 7-10% CAGR
- COVID-19 accelerated shift to e-commerce by 2-3 years
- Alternative delivery tech (drones, etc.) not expected to become significant competition

*Estimated amounts and includes only walk-in-vans and cargo vans and excludes USPS. Source: Third party commissioned study.

Fleet Vehicle Demand Sources

(Units in thousands)



Utilimaster: Industry Leader in Parcel

- WIVs remain unmatched in cargo capacity, durability, and efficiency
- Well positioned ship-thru upfitting business provides good exposure to growth in cargo vans
- Large installed base and long-standing customer relationships

Diversification Initiatives

Attractive market opportunities with annual revenue potential of ~\$100M by 2025



Refrigeration Upfit

- Refrigeration products thru partnerships

Expanding Upfitting Capabilities

- Cranes, winches, jackhammers
- Self-contained generator, welding station

Pick-up Truck Upfit Ship-Thru

- Bed caps & side outs
- Toolboxes & pull-out storage
- Racks & ladders

Enablers

National footprint

Flexible manufacturing

Versatile product lines

Capable employees

Customer-Focused Culture of Innovation

Work-Driven Design® = The Utilimaster Difference



Competitive Advantage across Vocations



Utility

WIV | TB

ConEd | SDG&E | LAPW
Consumers Power | COM Ed



Food & Beverage

WIV | TB

Coca-Cola | Frito Lay
Bimbo | Sara Lee



Parcel

WIV | TB | Upfit

UPS | FedEx | USPS |
Purolator | Speedy | Canada
Post | Canpar



Linen & Laundry

WIV | TB

Cintas | Aramark
Virginia Linen | Ziker |
CTS



Retail

WIV | TB | Upfit

Sysco | Starbucks | Walmart
GFS | Compass

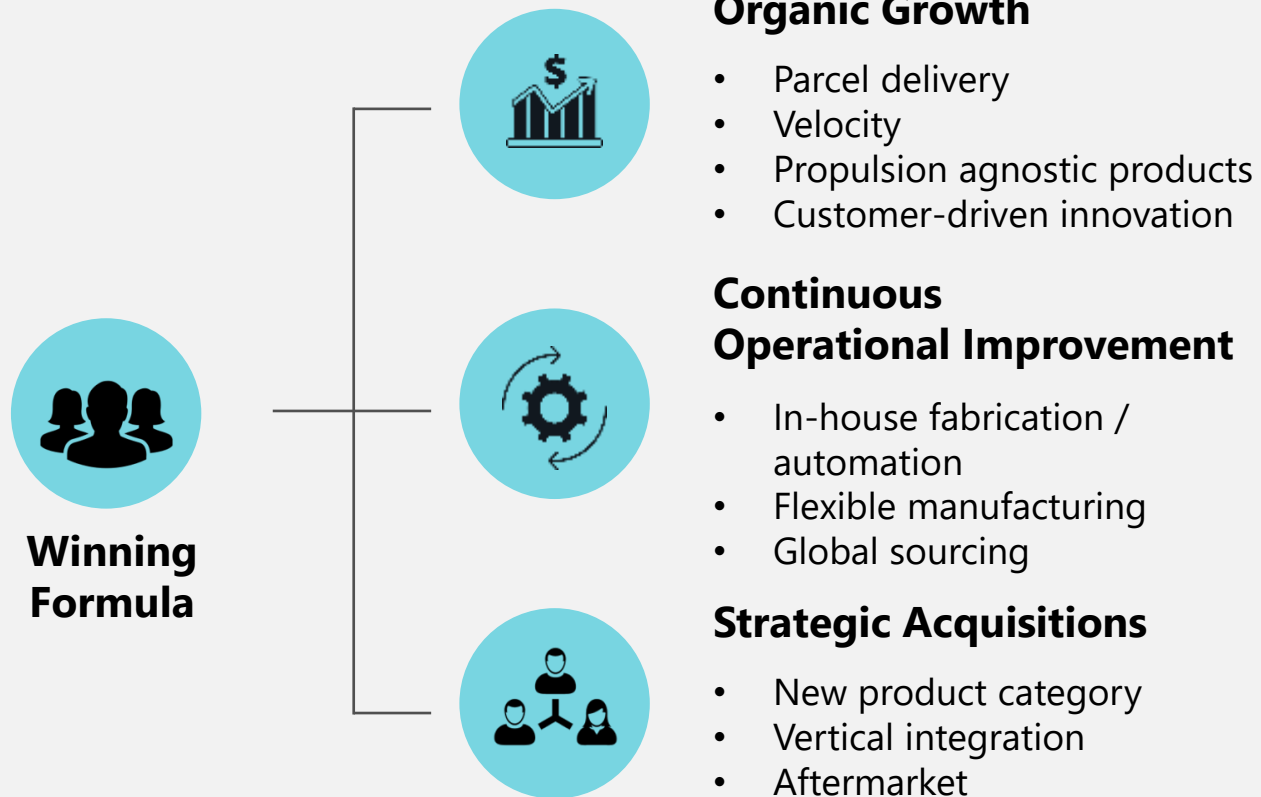


Government

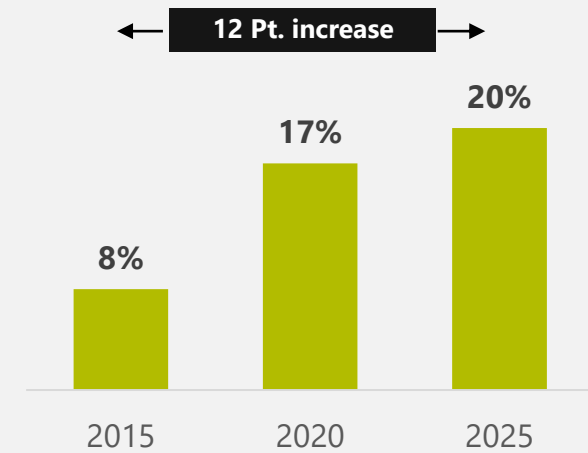
WIV | TB | Upfit

GSA | Military | State
US Customs/Border
Protection

The Road Ahead



Adjusted EBITDA ~20%



Specialty Vehicles

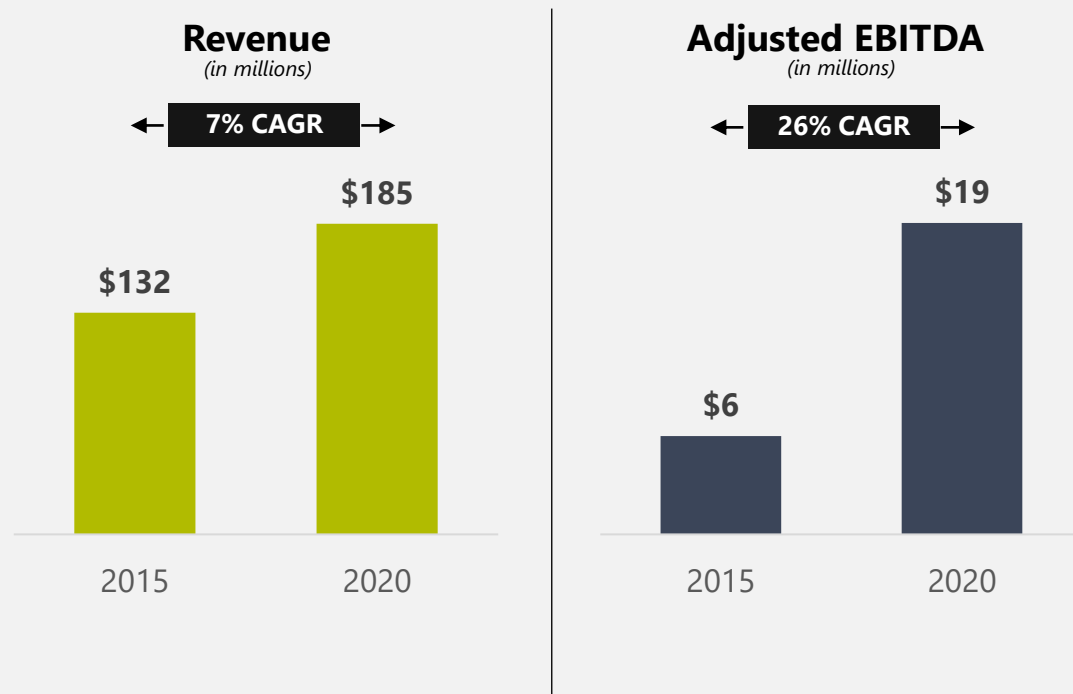


Specialty Vehicles

North American leader in service vehicle and specialty chassis manufacturing

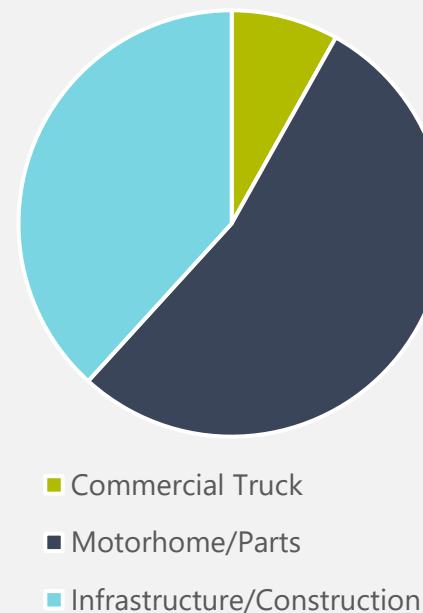
\$185M in 2020 Sales

25% of Shyft Group



Total Addressable Market \$1.7B*

Revenue By End Market



Growth Drivers



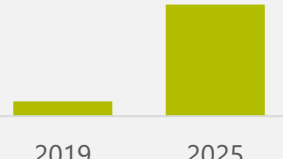
- U.S. infrastructure spend
- Consumer confidence (RV)
- GDP growth
- Innovation / content
- Residential and commercial construction
- EV adoption

*Source: 2020 SpecialtyTransportation.net, Statistical Surveys, Polk and management estimates

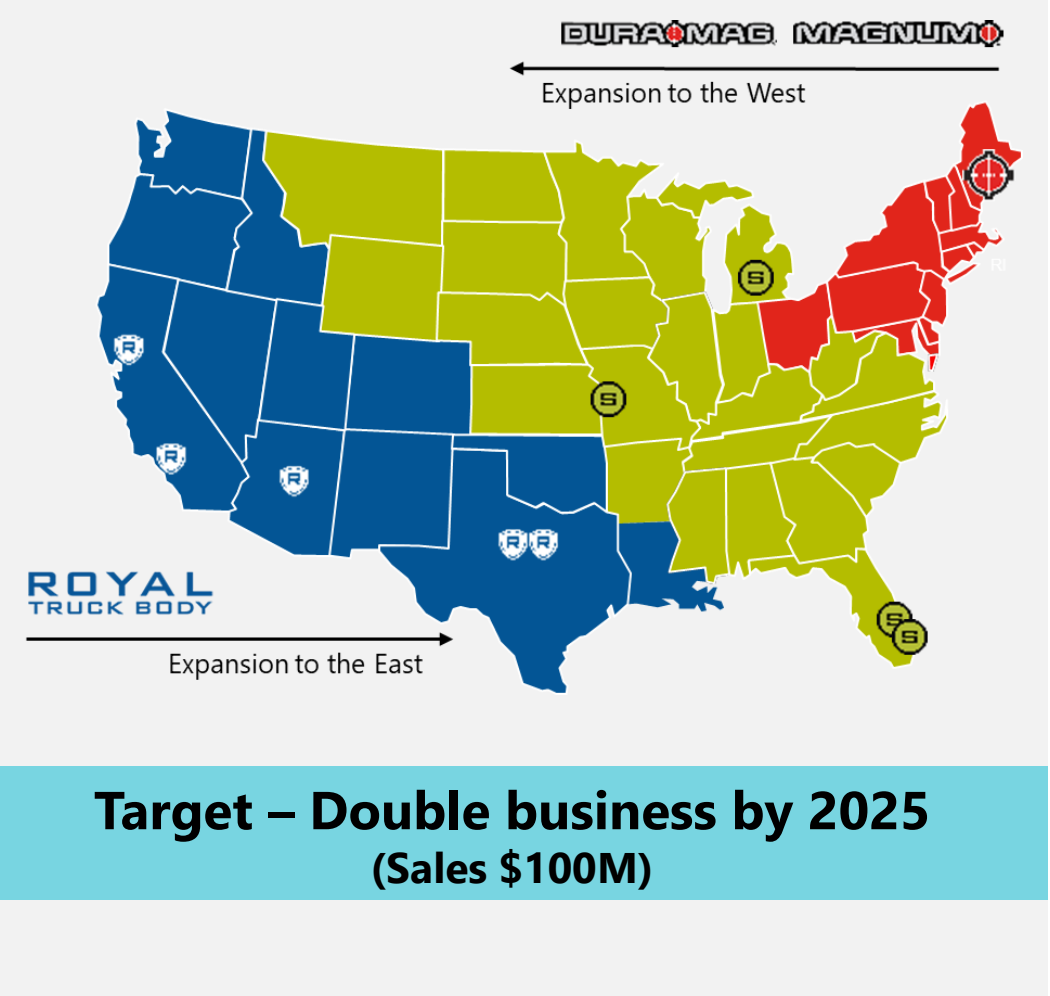
Industry Leading Service Bodies

Service Bodies (TAM \$960M)



Product	Next Generation Steel and Aluminum Body Class 2 - 5 up to 19,500 lbs GVWR	
Brands	 	
Growth Drivers	<ul style="list-style-type: none"> National expansion (East & West) Cross-pollination of DuraMag & RTB products Added ship-through and branch locations U.S. infrastructure initiative <div style="display: flex; align-items: center;"> <div style="margin-right: 20px;">  <p>2019 2025</p> <p>Target Share Growth</p> </div> <div> <p>← 13% Point Improvement →</p> </div> </div>	

Building a National Service Body Brand



Industry Leading Specialty Brands

RV Chassis (TAM \$610M)



Builtmore (TAM \$90M)



Product

Premier Class A Diesel Foundation

with best-in-class product technology



EV

Contract Mfg.

N-Gas

GVWR 14,000 lbs.

F-Series

GVWR 26,000 lbs.

Partners

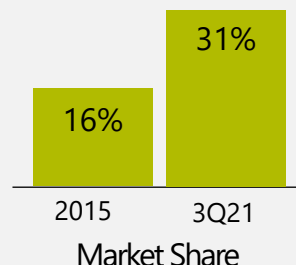


Full Portfolio of Class 3-7

ISUZU

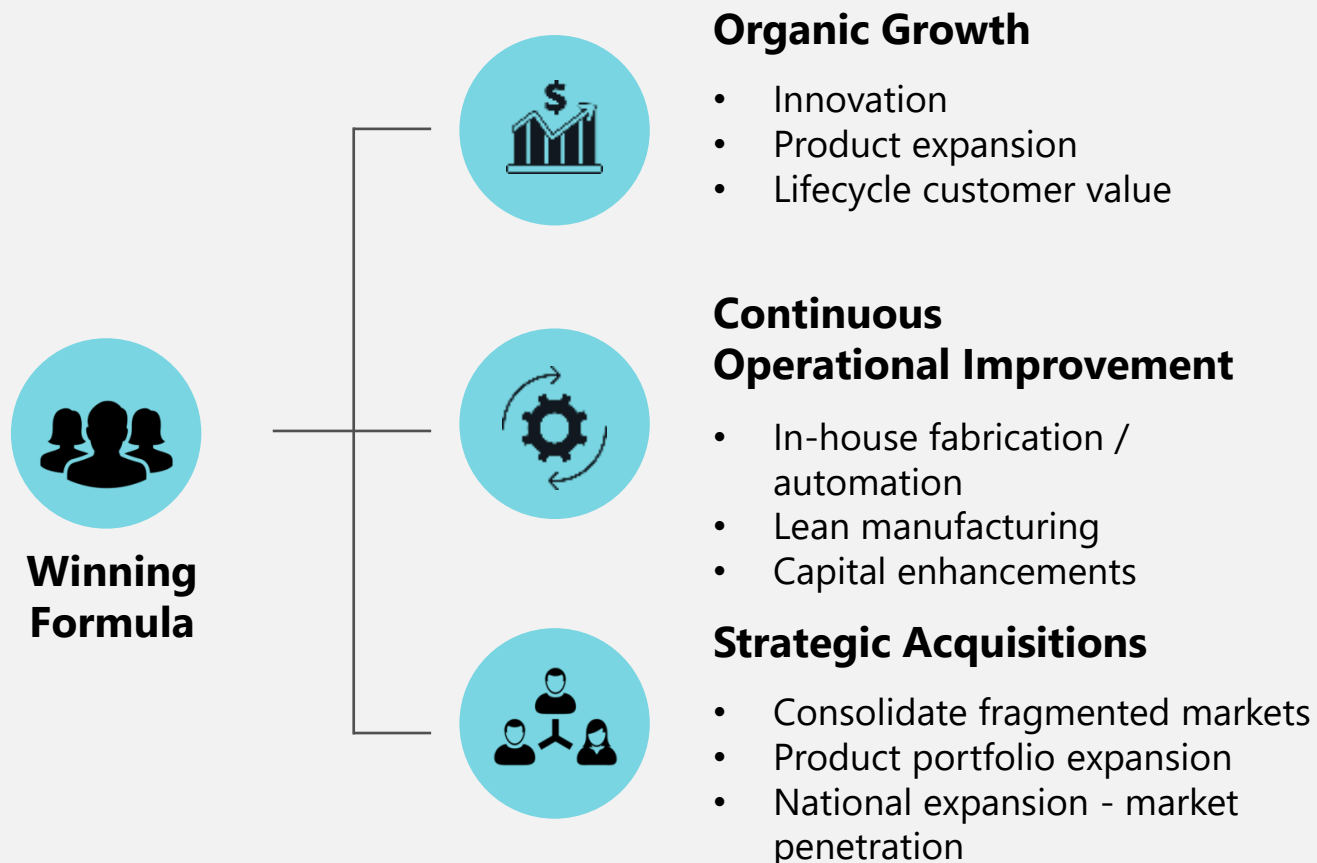
Growth Drivers

- Proven ability to gain market share through innovation and platform expansion
- Strong customer demand driven by aging population and post-COVID travel
- Continued operational focus
 - Adjusted EBITDA up 280% since 2015

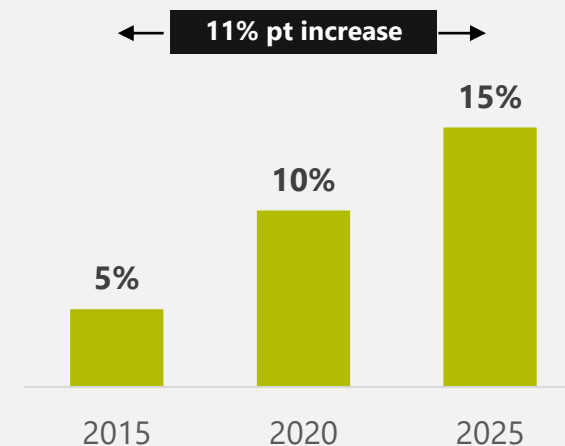


- 3 new EV contract manufacturing projects in process
- Expand offerings as Isuzu 'Supplier of Choice'
 - Class 5 Q1 2021
 - Class 7 Q3 2021
- Launched new modification center in 2020 - \$1M+ revenue potential with strong growth opportunity

The Road Ahead



Adjusted EBITDA ~15%



SHYFT INNOVATIONS

New Technologies To Drive Future Growth



Electric Vehicle Landscape is Changing

Governmental and company “green” mandates driving EV adoption

Customers are looking for an OEM purpose-built EV chassis

FedEx

amazon



aramark



Over 50% of global light and medium duty vehicles sales will be EV by 2040*

\$16B TAM Class 3, 4 & 5 vehicles for North America

Shyft expertise second to none

- Specialty vehicle chassis for 46 years
- Alternative propulsion vehicles for 17 years
- Electric vehicles for 9 years

Hybrid vehicles	1,200 units
CNG vehicles	800 units
Propane vehicles	10 units
Electric vehicles	500 units
Total	2,500+ units

*Source: BloombergNEF 2020 EVO and management's estimates. Light duty commercial vehicles include last-mile and distribution vehicles weighing less than 3.5 tons. Medium duty commercial vehicles refer to freight and distribution vehicles weighing between 3.5-15 tons.



SHYFT INNOVATIONS

New Technologies To Drive Future Growth



Shyft Electric Vehicle Chassis

Customers are looking for an OEM purpose-built EV chassis

Performance Specifications

Purpose-Built Flat Modular Solution

- Medium-duty chassis
- 5,000 lb. payload
- Two wheel-base lengths

Battery specifications

- 120-160 kWh packs (Li-ion-NMC)
- 150-175 mile range @ 50% payload
- Charge time of 2-6 hrs

Performance

- Top Speed of 65 mph
- 10-year life cycle
- 5-year / 100,000-mile powertrain warranty

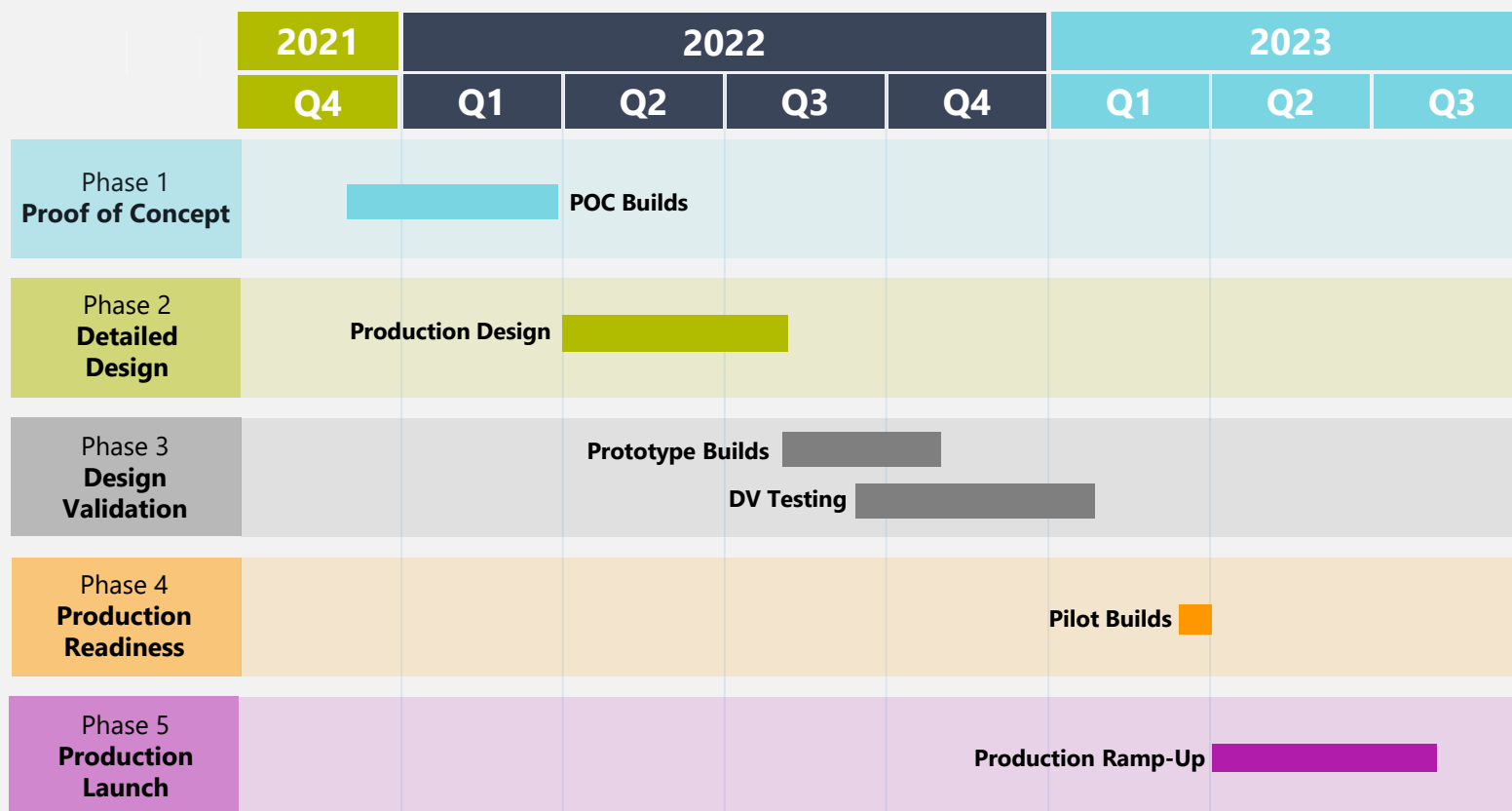


Optimized Flat Modular Design

- Vehicle class and application agnostic
- Cost-effective customization
- Software-enabled platform and integration

Program Timeline and Manufacturing Plan

Total investment for the program is estimated to be between \$50-75 million



- Leverage Shyft's experienced chassis team
- Leverage industry EV supply base and integrate proven components
- Leverage deep knowledge of product and service delivery needs

The Road Ahead.



Appendix

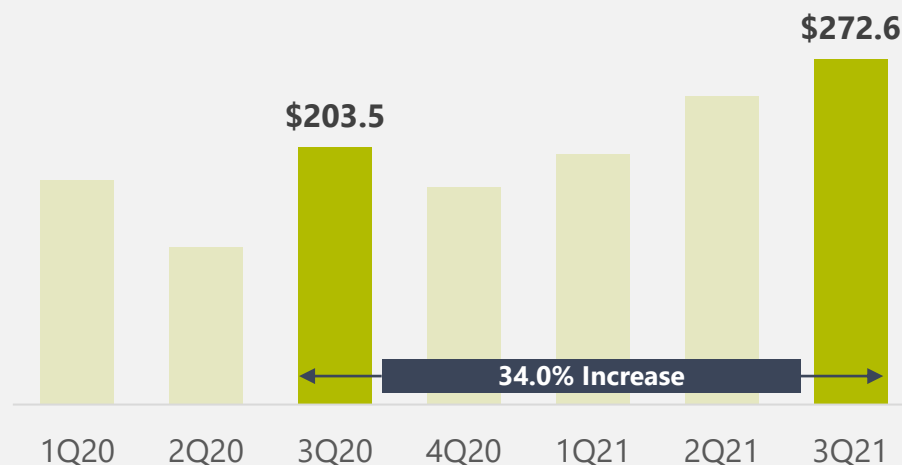


Shyft Financial Summary – 3Q21

Resourcefulness and focused execution in a challenging environment

Revenue

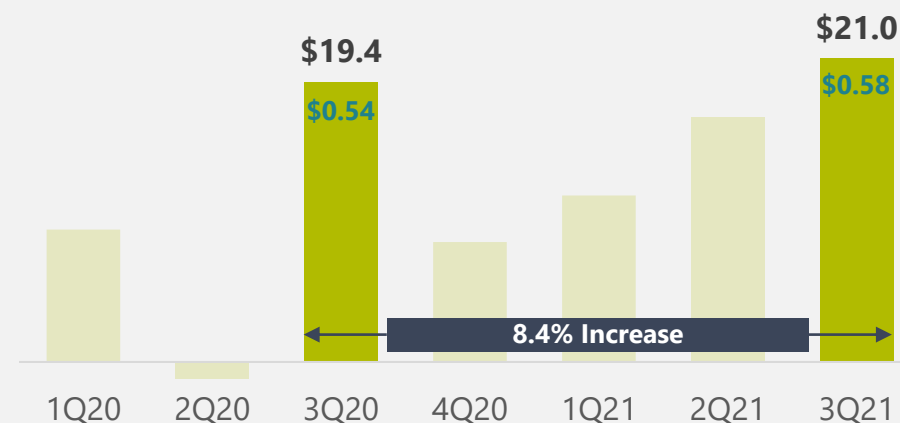
(in millions)



Backlog more than triples YoY
to record \$853M

Income from Continuing Operations & EPS

(in millions)



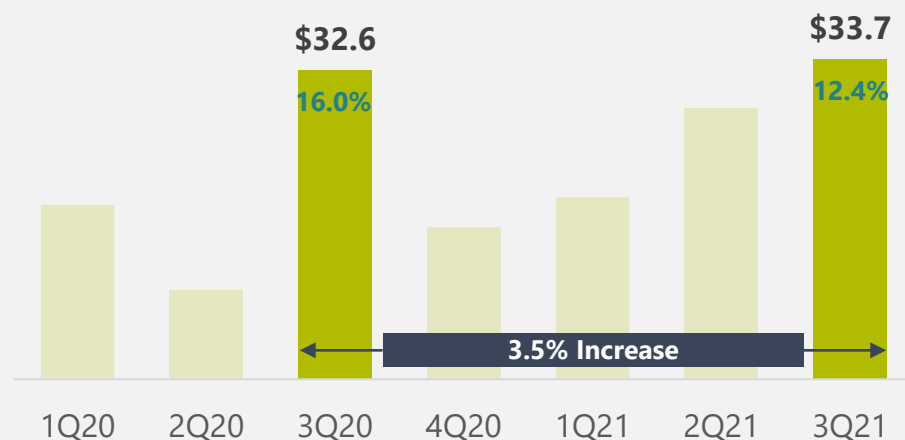
Profitability up sequentially

Shyft Financial Summary – 3Q21

Continued profitability gains despite supply chain disruptions

Adjusted EBITDA & % of Sales

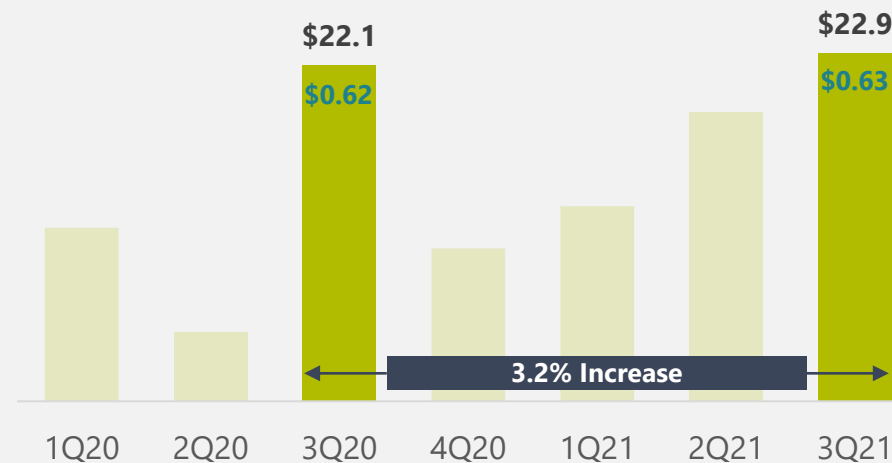
(in millions)



Record profitability

Adjusted Net Income & Adjusted EPS

(in millions, except EPS)



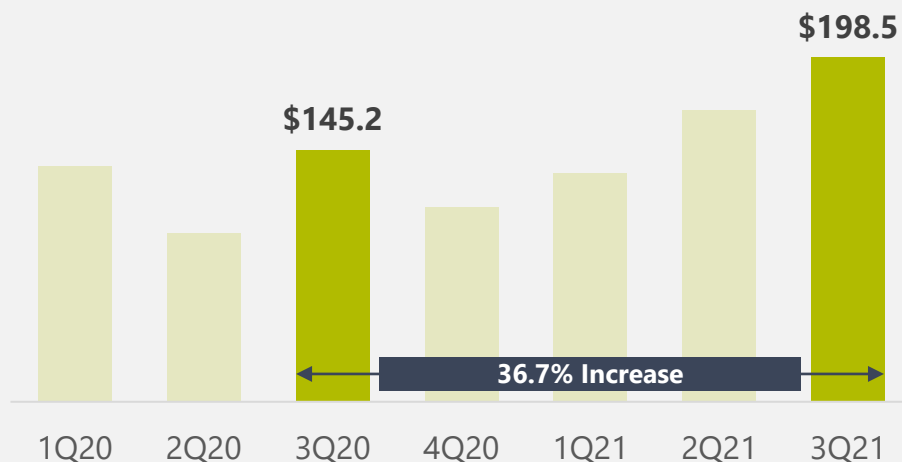
Generated \$39.1M of cash
from operating activities in Q3

Fleet Vehicles and Services – 3Q21

Record sales and demand as parcel strength continues

Revenue

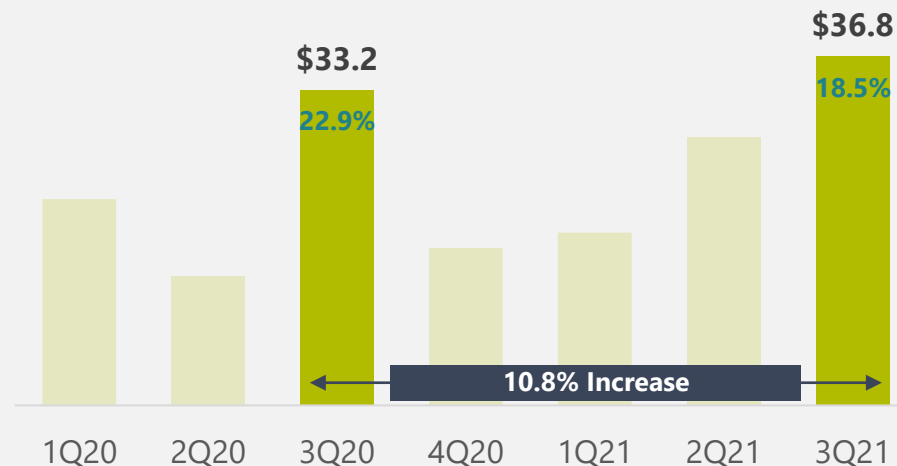
(in millions)



Backlog of \$759M, up 231% YoY

Adjusted EBITDA & % of Sales

(in millions)



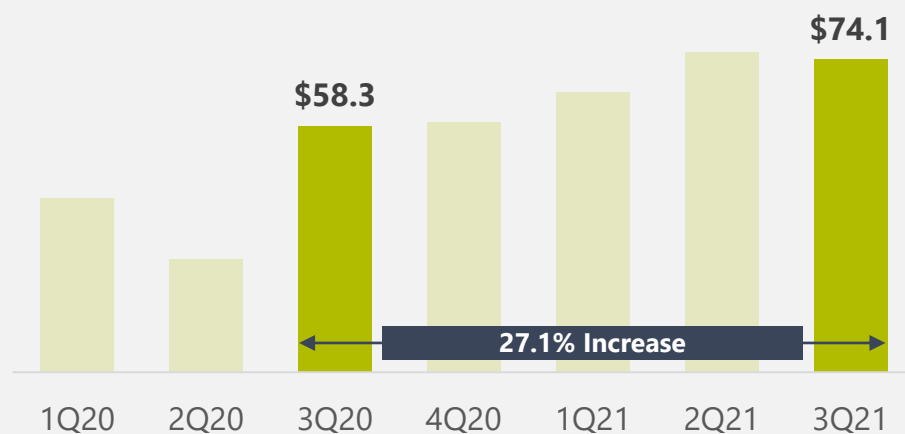
2nd highest % in history, behind 3Q20

Specialty Vehicles – 3Q21

Strong sales momentum led by luxury motorcoach chassis demand

Revenue

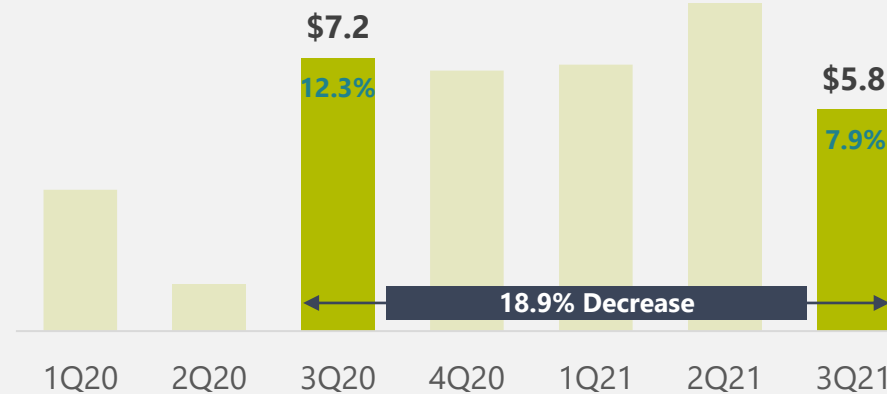
(in millions)



Backlog of \$94M, up 82% YoY

Adjusted EBITDA & % of Sales

(in millions)

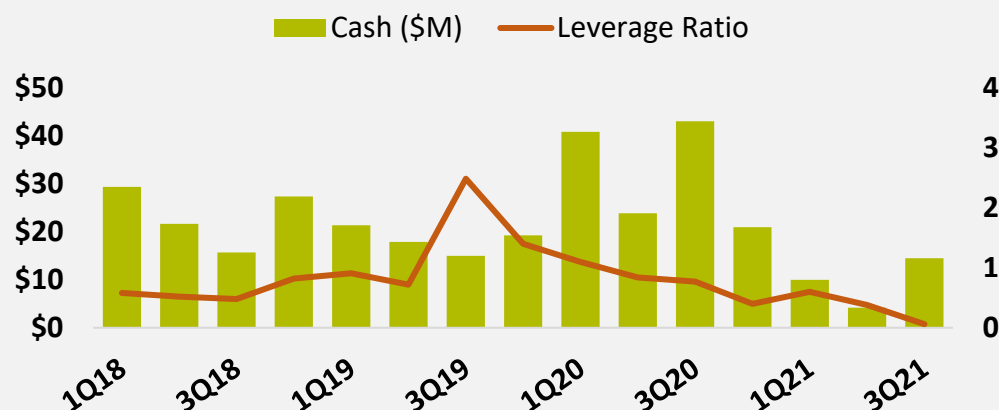


Additional pricing actions to take hold in Q4

Liquidity & 2021 Outlook

Raising Full Year Outlook – Expect YoY profit growth of 48%

Liquidity



- \$42M YTD cash flow from operations up \$21 YoY
- Total liquidity of \$184M, including \$169M of borrowing capacity
- Current leverage ratio at 0.1x adj EBITDA

2021 Outlook

	Low	Mid-point	High	% Inc 2020
<i>(\$M except per share)</i>				
Revenue	\$930.0	\$950.0	\$970.0	41%
Income from continuing operations	\$59.9	\$60.6	\$61.3	59%
Adjusted EBITDA	\$108.0	\$109.0	\$110.0	43%
EPS	\$1.66	\$1.68	\$1.70	60%
Adjusted EPS	\$1.97	\$1.99	\$2.01	48%

- Strong consistent financial performance throughout 2021
- Proactively managing through current environment to mitigate supply chain headwinds
- Underlying demand for our products remains robust

Reconciliation of Non-GAAP Financial Measures

This presentation presents Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted net income, and adjusted earnings per share, each of which is a non-GAAP financial measure. These non-GAAP measures are calculated by excluding items that we believe to be infrequent or not indicative of our underlying operating performance, as well as certain non-cash expenses. We define Adjusted EBITDA as income from continuing operations before interest, income taxes, depreciation and amortization, as adjusted to eliminate the impact of restructuring charges, acquisition related expenses and adjustments, non-cash stock-based compensation expenses, and other gains and losses not reflective of our ongoing operations.

We present these non-GAAP measures because we consider them to be important supplemental measures of our performance. The presentation of these non-GAAP measures enables investors to better understand our operations by removing items that we believe are not representative of our continuing operations and may distort our longer-term operating trends. We believe these measures to be useful to improve the comparability of our results from period to period and with our competitors, as well as to show ongoing results from operations distinct from items that are infrequent or not indicative of our continuing operating performance. We believe that presenting these non-GAAP measures is useful to investors because it permits investors to view performance using the same tools that management uses to budget, make operating and strategic decisions, and evaluate our historical performance. We believe that the presentation of these non-GAAP measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provides investors with additional understanding of the factors and trends affecting our business than could be obtained in the absence of this disclosure.

Our management uses Adjusted EBITDA to evaluate the performance of and allocate resources to our segments. Adjusted EBITDA is also used, along with other financial and non-financial measures, for purposes of determining annual incentive compensation for our management team and long-term incentive compensation for certain members of our management team.

Reconciliation of Non-GAAP Financial Measures



Financial Summary (Non-GAAP)
Continuing Operations
(In thousands, except per share data)
(Unaudited)

	2020	2019	2018	2017	2016	2015
Income from continuing operations	38,289	36,790	18,116	17,471	18,273	149
Net (income) loss attributable to NCI	(347)	(140)	-	1	7	-
Interest	1,293	1,839	1,080	864	410	365
Taxes	9,867	10,355	3,334	2,382	6,645	13,366
Depreciation & amortization	13,903	6,073	6,214	6,032	5,215	4,959
EBITDA	63,005	54,917	28,744	26,750	30,550	18,839
Restructuring and other related charges	1,873	316	662	798	-	-
Acquisition related expenses and adjustments	1,332	3,531	1,952	588	14	-
Non-cash stock-based compensation expense	7,706	5,281	4,027	3,536	1,536	1,198
Loss from write-off of construction in process	2,430	-	-	-	-	-
Adjusted EBITDA	76,346	64,045	35,385	31,672	32,100	20,037
Income from continuing operations	38,289	36,790	18,116	17,471	18,273	149
Net (income) loss attributable to NCI	(347)	(140)	-	1	7	-
Restructuring and other related charges	1,873	316	662	798	-	-
Acquisition related expenses and adjustments	1,332	3,531	1,952	588	14	-
Non-cash stock-based compensation expense	7,706	5,281	4,027	3,536	1,536	1,198
Loss from write-off of construction in process	2,430	-	-	-	-	-
Accelerated depreciation of property, plant and equipment	3,061	-	-	-	-	-
Deferred tax asset adjustment	376	135	(313)	(4,226)	(2,932)	9,379
Favorable tax rate in income taxes receivable	(2,610)	-	-	-	-	-
Tax effect of adjustments	(3,892)	(2,056)	(1,433)	(1,713)	(550)	(447)
Adjusted net income	48,218	43,857	23,011	16,455	16,348	10,279
EPS	1.05	1.03	0.52	0.50	0.53	-
Restructuring and other related charges	0.05	-	0.02	0.02	-	-
Acquisition related expenses and adjustments	0.04	0.11	0.06	0.02	-	-
Non-cash stock-based compensation expense	0.21	0.15	0.11	0.10	0.05	0.03
Loss from write-off of construction in process	0.07	-	-	-	-	-
Accelerated depreciation of property, plant and equipment	0.09	-	-	-	-	-
Deferred tax asset adjustment	0.01	-	(0.01)	(0.12)	(0.08)	0.28
Favorable tax rate in income taxes receivable	(0.07)	-	-	-	-	-
Tax effect of adjustments	(0.11)	(0.05)	(0.04)	(0.05)	(0.02)	(0.01)
Adjusted EPS	1.34	1.24	0.66	0.47	0.48	0.30

Reconciliation of Non-GAAP Financial Measures

Financial Summary (Non-GAAP)
Consolidated
(In thousands, except per share data)
(Unaudited)

The Shyft Group, Inc.	Forecast		
	Twelve Months Ended December 31, 2021		
	Low	Mid	High
Income from continuing operations	\$ 59,886	\$ 60,576	\$ 61,266
Add:			
Depreciation and amortization	11,891	11,891	11,891
Interest expense	578	578	578
Taxes	20,906	21,216	21,526
EBITDA	\$ 93,261	\$ 94,261	\$ 95,261
Add (subtract):			
Non-cash stock-based compensation and other charges	14,739	14,739	14,739
Adjusted EBITDA	\$ 108,000	\$ 109,000	\$ 110,000
Earnings per share	\$ 1.66	\$ 1.68	\$ 1.70
Add:			
Non-cash stock-based compensation and other charges	0.41	0.41	0.41
Less tax effect of adjustments	(0.10)	(0.10)	(0.10)
Adjusted earnings per share	\$ 1.97	\$ 1.99	\$ 2.01

Reconciliation of Non-GAAP Financial Measures

Financial Summary

(In thousands, except per share data)

(Unaudited)

Three Months Ended September 30,

The Shyft Group, Inc.	2021	% of sales	2020	% of sales
Income from continuing operations	\$ 20,999	7.7%	\$ 19,375	9.5%
Net (income) attributable to non-controlling interest	(77)		(41)	
Add (subtract):				
Restructuring and other related charges	-		303	
Acquisition related expenses and adjustments	594		650	
Non-cash stock-based compensation expense	2,079		2,064	
Accelerated depreciation of property, plant and equipment	-		365	
Deferred tax assets valuation allowance	-		275	
Tax effect of adjustments	(733)		(842)	
Adjusted net income	\$ 22,862	8.4%	\$ 22,149	10.9%
Income from continuing operations	\$ 20,999	7.7%	\$ 19,375	9.5%
Net (income) attributable to non-controlling interest	(77)		(41)	
Add (subtract):				
Depreciation and amortization	2,982		2,978	
Taxes on income	6,910		7,253	
Interest expense	253		11	
EBITDA	\$ 31,067	11.4%	\$ 29,576	14.5%
Add (subtract):				
Restructuring and other related charges	-		303	
Acquisition related expenses and adjustments	594		650	
Non-cash stock-based compensation expense	2,079		2,064	
Adjusted EBITDA	\$ 33,740	12.4%	\$ 32,593	16.0%
Diluted net earnings per share	\$ 0.58		\$ 0.54	
Add (subtract):				
Restructuring and other related charges	-		0.01	
Acquisition related expenses and adjustments	0.01		0.02	
Non-cash stock-based compensation expense	0.06		0.05	
Accelerated depreciation of property, plant and equipment	-		0.01	
Deferred tax asset valuation allowance	-		0.01	
Tax effect of adjustments	(0.02)		(0.02)	
Adjusted diluted net earnings per share	\$ 0.63		\$ 0.62	

Reconciliation of Non-GAAP Financial Measures



Financial Summary
(In thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,			
	2021	% of sales	2020	% of sales
The Shyft Group, Inc.				
Income (loss) from continuing operations	\$ 16,953	6.9%	\$ (1,134)	(0.9%)
Net (income) loss attributable to non-controlling interest	(990)		(70)	
Add (subtract):				
Restructuring and other related charges	505		562	
Acquisition related expenses and adjustments	71		179	
Non-cash stock-based compensation expense	2,850		2,126	
Loss from write-off of construction in process	-		2,430	
Accelerated depreciation of property, plant and equipment	-		2,330	
Loss from liquidation of JV	643		-	
Tax effect of adjustments	(998)		(1,849)	
Adjusted net income	<u>\$ 19,034</u>	<u>7.8%</u>	<u>\$ 4,574</u>	<u>3.7%</u>
Income (loss) from continuing operations	\$ 16,953	6.9%	\$ (1,134)	(0.9%)
Net (income) loss attributable to non-controlling interest	(990)		(70)	
Add (subtract):				
Depreciation and amortization	2,759		5,343	
Taxes on income	5,552		(546)	
Interest expense	227		460	
EBITDA	<u>\$ 24,501</u>	<u>10.0%</u>	<u>\$ 4,053</u>	<u>3.3%</u>
Add (subtract):				
Restructuring and other related charges	505		562	
Acquisition related expenses and adjustments	71		179	
Non-cash stock-based compensation expense	2,850		2,126	
Loss from liquidation of JV	643		-	
Loss from write-off of construction in process	-		2,430	
Adjusted EBITDA	<u>\$ 28,570</u>	<u>11.7%</u>	<u>\$ 9,350</u>	<u>7.5%</u>
Diluted net earnings per share	\$ 0.44		\$ (0.03)	
Add (subtract):				
Restructuring and other related charges	-		0.02	
Acquisition related expenses and adjustments	-		0.01	
Non-cash stock-based compensation expense	0.08		0.06	
Loss from liquidation of JV	0.01		-	
Loss from write-off of construction in process	-		0.06	
Accelerated depreciation of property, plant and equipment	-		0.06	
Tax effect of adjustments	-		(0.05)	
Adjusted diluted net earnings per share	<u>\$ 0.53</u>		<u>\$ 0.13</u>	

Reconciliation of Non-GAAP Financial Measures



Financial Summary
(In thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,			
	2021	% of sales	2020	% of sales
The Shyft Group, Inc.				
Income from continuing operations	\$ 11,530	5.8%	\$ 11,742	6.6%
Net (income) attributable to non-controlling interest	(35)		(67)	
Add (subtract):				
Restructuring and other related charges	-		992	
Acquisition related expenses and adjustments	143		93	
Non-cash stock-based compensation expense	1,642		1,991	
Favorable tax rate in income taxes receivable	-		(2,577)	
Tax effect of adjustments	(432)		(748)	
Adjusted net income	<u>\$ 12,848</u>	<u>6.5%</u>	<u>\$ 11,426</u>	<u>6.5%</u>
Income from continuing operations	\$ 11,530	5.8%	\$ 11,742	6.6%
Net (income) attributable to non-controlling interest	(35)		(67)	
Add (subtract):				
Depreciation and amortization	2,571		2,517	
Taxes on income	3,490		377	
Interest (income) expense	(170)		731	
EBITDA	<u>\$ 17,386</u>	<u>8.8%</u>	<u>\$ 15,300</u>	<u>8.6%</u>
Add (subtract):				
Restructuring and other related charges	-		992	
Acquisition related expenses and adjustments	143		93	
Non-cash stock-based compensation expense	1,642		1,991	
Adjusted EBITDA	<u>\$ 19,171</u>	<u>9.7%</u>	<u>\$ 18,376</u>	<u>10.4%</u>
Diluted net earnings per share	\$ 0.32		\$ 0.33	
Add (subtract):				
Restructuring and other related charges	-		0.03	
Acquisition related expenses and adjustments	-		-	
Non-cash stock-based compensation expense	0.04		0.06	
Favorable tax rate in income taxes receivable	-		(0.08)	
Tax effect of adjustments	-		(0.02)	
Adjusted diluted net earnings per share	<u>\$ 0.36</u>		<u>\$ 0.32</u>	



Thank you.